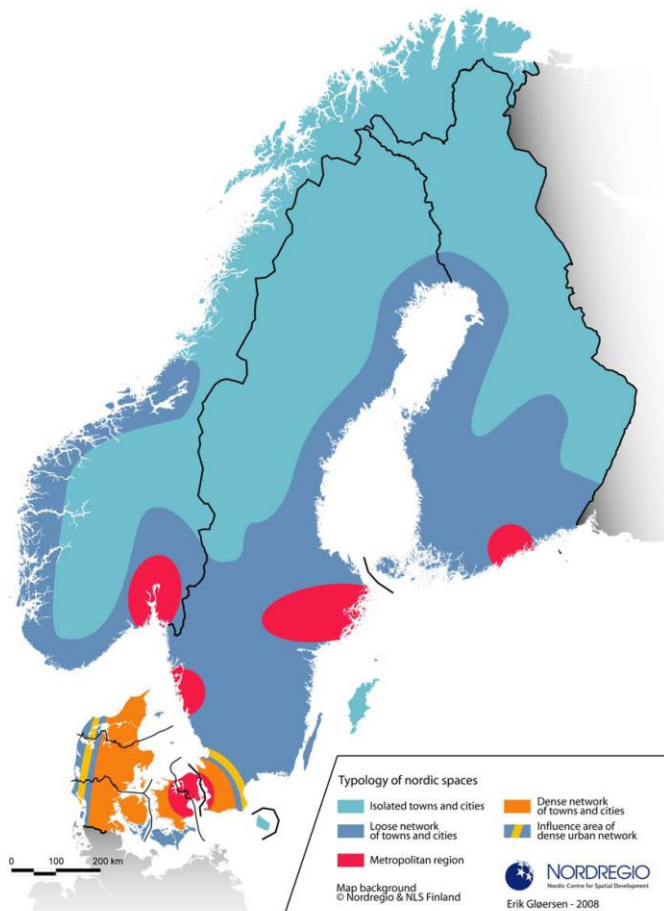


Small town, boundless opportunities

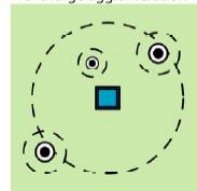
Transnational entrepreneurship in Sweden's northern periphery

Alexandre Dubois

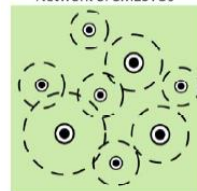
The Urban Arctic - Towards a new understanding of the North
Friday, June 10, 2016 – Umeå



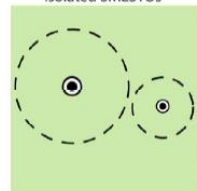
SMESTO at the fringe of a large agglomeration



Network of SMESTOs



Isolated SMESTOs



- Major city and its functional area
- Medium-sized town and its functional area
- Small town and its functional area

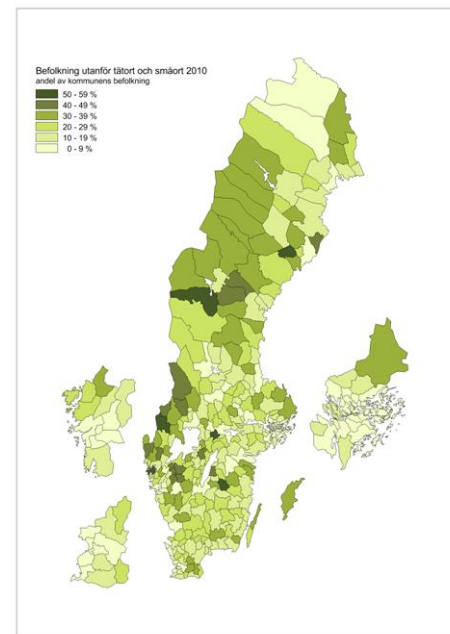


Figure 1.1 Schematic typology of Nordic spaces (Erik Gloersen)



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Background

About Northern Development

- Resource peripheries are seen as inherently dependent on external agents who control economic activity and markets for resource commodities (Carson et al., 2011, Watkins, 2009) -> external dependency + low local agency
- Traditionally, settlements in the north are not the result of fringe development (Carson and Carson 2011)
- Global connections are not *new* to resource peripheries, but they have been traditionally dominated by a handful of large commodity providers (Young 2010)
- Trade-off of firm/community development: investments in the social fabric by resource operators; provision of stable and skilled workforce.

***Neoendogenous* northern development**

- Neoendogenous development theory indeed considers that the mobilization of local resources and the need to incorporate extra-local factors requires local actors to share a common identity and the capability of working together (Bosworth and Atterton, 2012).
- *historical* northern development appeared as pockets of development that were strongly disconnected, both geographically and functionally, from their immediate surroundings.
- *contemporary* northern development is the entanglement of multiple streams of social and economic relations *across distance*
 - New mobility patterns
 - New relations between urban centres and resource peripheries
 - Integration in global tangible (goods, persons) and intangible (capital, knowledge) flows
- Articulation between local and extra-local processes

Entrepreneurship in the North

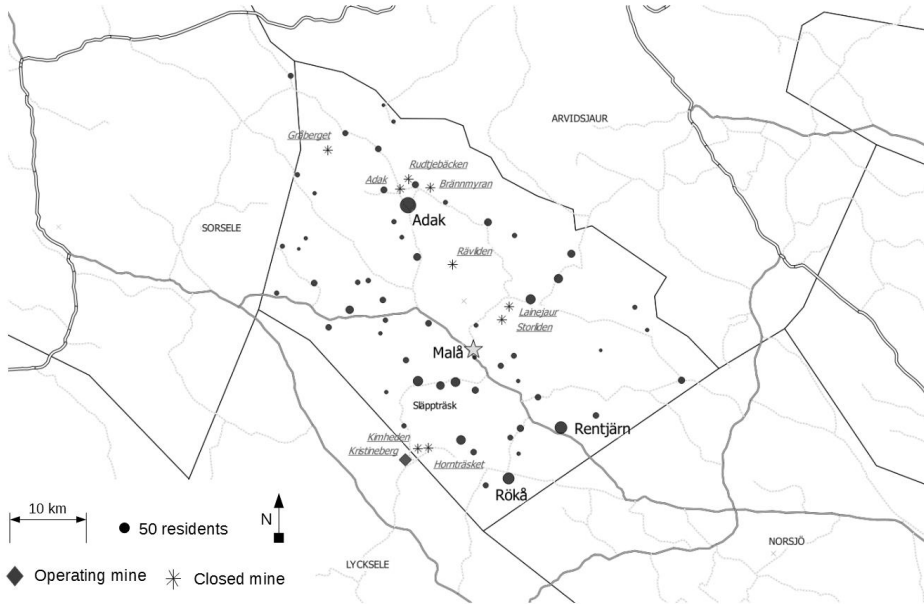
- Entrepreneurship as the process and outcome of resource mobilization through actor-networks (Korsgaard, 2011).
 - Arm's length relations vs socially embedded relations in close proximity (Granovetter, Uzzi)
 - Northern development cannot be sustained through purely arms length relations globally, nor purely locally embedded relations due to small size of the domestic market.
- Translocal embeddedness (FP7 DERREG)
 - Being locally embedded and internationalized do not have to be mutually exclusive processes
 - Peripheral small firms tend to privilege reciprocal relations with 'peer' actors even in other localities -> act 'locally' at a distance -> mobilizing capital AND knowledge
- Research questions:
 - How do SMEs in resource peripheries engage in extra-local relations?
 - What kind of resources are mobilized locally? Extra-locally?
 - How do firm development contribute *in fine* to community development?



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The study

Malå in short

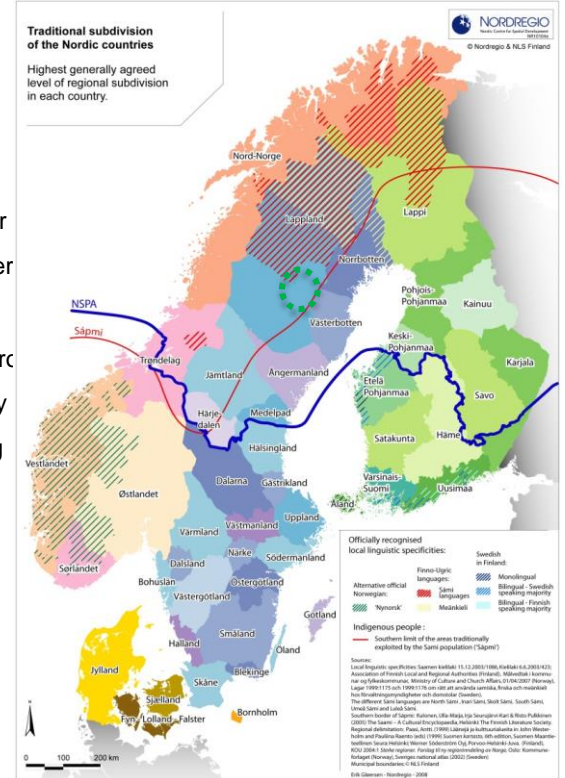


Population

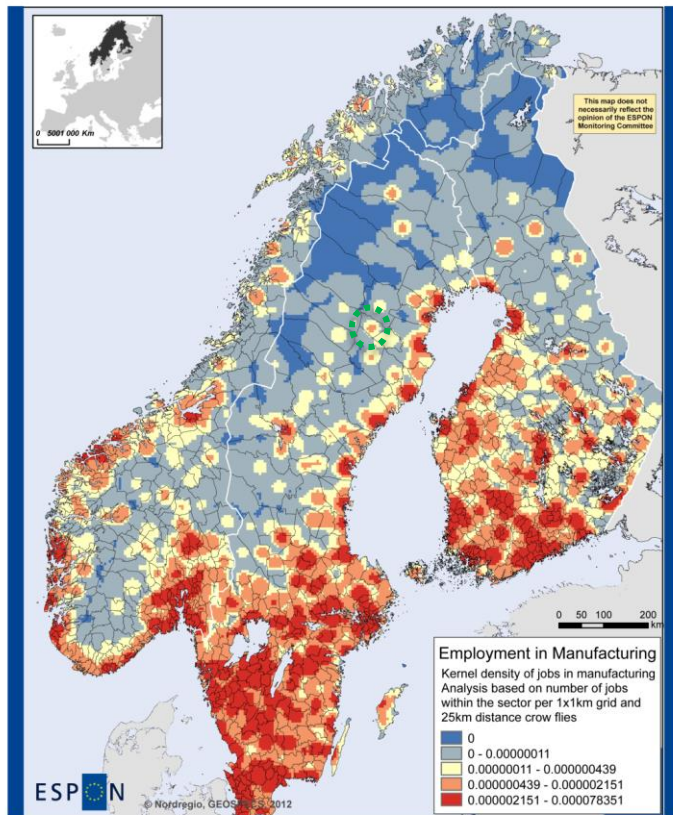
- 3100 for
- 1500 per

Local economy

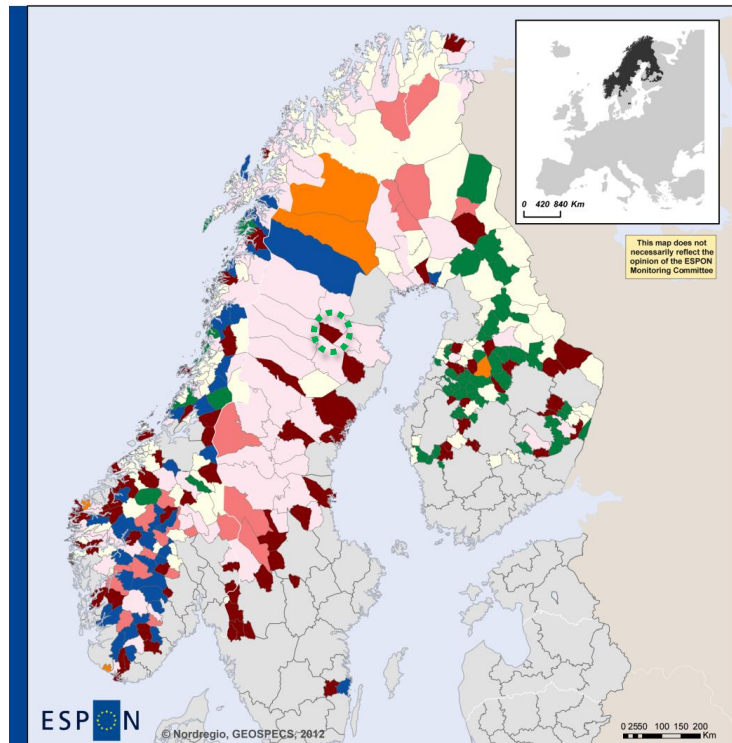
- Undergr
- Forestry
- Herding



Employment in Manufacturing



Cluster analysis of employment in Nordic LAU2



Ascendant Classification of Nordic Sparsely Populated and Poorly Connected Localities (LAU2)

Major deviations from average profile -
Overrepresented activities

- Energy
- Mining
- Agriculture, Forestry and fishing
- Manufacturing
- Hotel and Restaurant; Personal Services

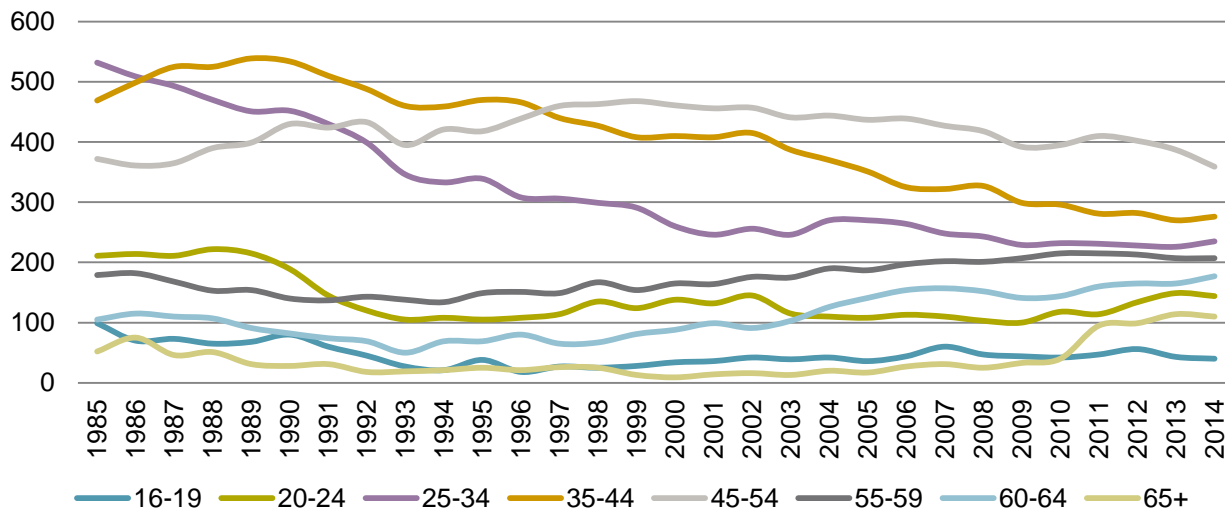
Minor deviations from average profile -
Overrepresented activities

- Trade and Business Services
- Agriculture, Construction and Finance
- No data

Local development in Malå

Decrease of active population (16+): from 3.300 in 1985 to 2.600 in 2014

Employment in Malå by cohort



Malå Geoscience



Discussion

- Evidence of neoendogenous development
 - Regenerating local know how through widened knowledge exchanges
 - Combining multiple knowledge bases: technical/market, local/international
 - Shared strategic thinking and adaptation capacity
- Importance of the community
 - From retaining and educating local workforce...
 - ... to being attractive skilled international personnel, e.g. basic and 'advanced' services